



# PSC NEWS

## Missouri Public Service Commission

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### NATURAL GAS RATES TO CHANGE FOR LACLEDE GAS COMPANY CUSTOMERS UNDER SCHEDULED NATURAL GAS FILING

Jefferson City (January 13, 2004)---To reflect estimated changes in the cost of natural gas for the remaining winter heating season, Laclede Gas Company customers will experience an increase in natural gas rates under a scheduled filing reviewed and accepted by the Missouri Public Service Commission. This rate change, which is interim subject to refund, will take effect on January 15, 2004.

A residential customer currently pays \$0.60971 per therm (per 100 cubic feet of gas). Under this filing, the rate will increase to \$0.67900 per therm, an increase of 6.9 cents per therm (in a scheduled November filing, Laclede dropped the per therm rate by approximately 4.9 cents). The effect of the proposed rate on a typical residential heating customer's natural gas bill for the remaining winter season (January through March) is an increase of \$42 when compared to rates currently in effect.

Approximately 65% to 80% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. **The wholesale cost of natural gas (the cost your local natural gas company must pay to its suppliers for natural gas) is not regulated by the Missouri Public Service Commission.** The wellhead cost of natural gas is unregulated and is primarily driven by supply and demand. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.

Laclede Gas Company serves approximately 636,215 natural gas customers in the City of St. Louis as well as the Missouri counties of St. Louis, St. Charles, Butler, Iron, Franklin, Jefferson, Madison, St. Francois and Ste. Genevieve.

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